(c) whether the State Government of Andhra Pradesh had given land, loan facility, resources management and IT works on priority to the Satyam;

(d) whether Government proposes to bail out this company; and

(e) if so, the details thereof?

THE MINISTER OF CORPORATE AFFAIRS (SHRI PREM CHAND GUPTA): (a) On 7.01.2009, a statement was made by the then Chairman of Satyam Services by way of an e-mail, originally addressed to the Board members of Satyam under copy to SEBI and stock exchanges, informing about mis-statement in the published accounts of Satyam. The SEBI, in turn, forwarded copy of this e-mail to this Ministry on the same date leading to action on various counts.

(b) Yes, Sir. The World Bank has banned the company in September, 2008 for a period of 8 years and made it ineligible to receive bank group contracts and has excluded the company from conducting business with the bank.

(c) Necessary information is being collected and will be laid on the Table of the House.

(d) and (e) To protect the interests of the company and its investors, employees, other stakeholders and to instill confidence in the Indian corporate sector, on the application of this Ministry under Sec. 388B/ 397/398 read with Sections 401-408 of the Companies Act, 1956, the Hon'ble Company Law Board, while suspending the existing Board, authorized the Central Government to appoint up to 10 directors on the Board of the company. The Government has appointed 6 directors of eminence in various fields on the Board, and this Board is taking appropriate decisions on the basis of their assessment of the situation, to protect the interests of all concerned and to smoothly run the affairs of the company. This Ministry has ordered investigation under Sec. 235 of the Companies Act, 1956 into the affairs of Satyam through the Serious Fraud Investigation Office. There is no proposal for any financial bailout of the company, which is expected to sustain its operations on its own strength and under the guidance of the new Board.

New accounting system for companies

161. SHRI B.K. HARIPRASAD: Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether India has committed to enforce International Financial Reporting Standards comparable with those already enforced on companies in more than 150 nations; and

(b) if so, whether the Institute of Chartered Accountants of India has been assigned the task with helping the Central Public Sector Enterprises switch over to the new accounting system by the targeted deadline of April, 2011?

THE MINISTER OF CORPORATE AFFAIRS (SHRI PREM CHAND GUPTA): (a) The Government has adopted the approach of convergence of Companies (Accounting Standards) Rules, 2006, containing accounting standards applicable to all Indian companies, with International Financial Reporting Standards (IFRS) by 2011.

(b) No, Sir.